

# Senate Study Bill 3052 - Introduced

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR BILL)

## A BILL FOR

- 1 An Act relating to the administration of the job training
- 2 program and fund by the economic development authority and
- 3 making an appropriation.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. SHORT TITLE. This Act shall be known and may be  
2 cited as the "Iowa Apprenticeship and Job Training Act".

3 Sec. 2. Section 15.108, subsection 6, paragraph a, Code  
4 2014, is amended to read as follows:

5 a. Coordinate and perform the duties specified under the  
6 Iowa industrial new jobs training Act in chapter 260E, the  
7 Iowa ~~jobs~~ job training Act in chapter 260F, and the workforce  
8 development fund in section 15.341.

9 Sec. 3. Section 15.343, subsection 2, paragraph a, Code  
10 2014, is amended to read as follows:

11 a. Projects under chapter 260F. The authority ~~shall~~ may  
12 require a match from all businesses participating in a ~~training~~  
13 project under chapter 260F.

14 Sec. 4. Section 15.343, subsection 3, Code 2014, is amended  
15 by striking the subsection and inserting in lieu thereof the  
16 following:

17 3. a. The authority shall transfer not more than five  
18 million dollars of the moneys in the workforce development  
19 fund to the job training fund established pursuant to section  
20 260F.6.

21 b. Moneys in the job training fund shall be allocated as  
22 provided in section 260F.6, subsection 3.

23 Sec. 5. Section 260C.18A, subsection 2, paragraph b, Code  
24 2014, is amended by striking the paragraph and inserting in  
25 lieu thereof the following:

26 b. Projects that would meet all the requirements of a  
27 project under chapter 260F, whether or not the project is  
28 actually being funded under chapter 260F. The authority may  
29 advise a community college on how a project would be treated  
30 for purposes of chapter 260F.

31 Sec. 6. Section 260F.1, Code 2014, is amended to read as  
32 follows:

33 **260F.1 Title.**

34 This chapter shall be known and may be cited as the "*Iowa*  
35 ~~*Jobs*~~ *Job* *Training Act*".

1     Sec. 7. Section 260F.2, subsections 1, 5, 6, 8, and 11, Code  
2 2014, are amended to read as follows:

3     1. ~~"Agreement" is the agreement~~ means a contract between  
4 a business and a ~~community college~~ the authority concerning a  
5 project.

6     5. ~~"Eligible business" or "business"~~ means a business  
7 ~~training employees which is engaged in interstate or intrastate~~  
8 ~~commerce for the purpose of manufacturing, processing, or~~  
9 ~~assembling products, conducting research and development,~~  
10 ~~or providing services in interstate commerce, but excludes~~  
11 ~~retail, health, or professional services and which meets~~  
12 ~~the other criteria established by the authority. "Eligible~~  
13 ~~business" does not include a business whose training costs can~~  
14 ~~be economically funded under chapter 260E, a business which~~  
15 ~~closes or substantially reduces its employment base in order~~  
16 ~~to relocate substantially the same operation to another area~~  
17 ~~of the state, or a business which is involved in a strike,~~  
18 ~~lockout, or other labor dispute in Iowa~~ that proposes to  
19 train employees as part of a project and that meets all the  
20 conditions of section 260F.3.

21     6. ~~"Employee"~~ means a person currently employed by a an  
22 eligible business or who will be employed upon successful  
23 completion of a project and who is to be trained as part of a  
24 project. However, ~~"employee"~~ does not include a person with  
25 executive responsibilities or a replacement workers who are  
26 worker hired as a result of a strike, lockout, or other labor  
27 dispute in Iowa.

28     8. ~~"Participating business"~~ means a business ~~training~~  
29 ~~employees which enters~~ that has entered into an agreement with  
30 ~~the community college.~~

31     11. ~~"Project"~~ means a training arrangement ~~which~~ that is  
32 the subject of an agreement ~~entered into between the community~~  
33 ~~college and a business to provide program services. "Project"~~  
34 ~~also means an authority-sponsored training arrangement~~  
35 ~~which is sponsored by the authority and administered under~~

1 ~~sections 260F.6A and 260F.6B~~ and that is primarily focused  
2 on meeting the workforce needs of an eligible business. A  
3 project includes but is not limited to training or retraining  
4 of employees, adult basic education, on-the-job training,  
5 job-related instruction, vocation and skill-assessment services  
6 and testing, tuition and classroom instruction for coursework  
7 at a community college or a regents institution, and training  
8 equipment, supplies, and materials. A project does not include  
9 coursework that will be counted toward an advanced or graduate  
10 degree earned by an employee.

11 Sec. 8. Section 260F.2, Code 2014, is amended by adding the  
12 following new subsections:

13 NEW SUBSECTION. 1A. "*Apprentice*" means a person who is  
14 at least sixteen years of age, except where a higher minimum  
15 age is required by law, who is employed in an apprenticeable  
16 occupation, and is registered in Iowa with the United States  
17 department of labor, office of apprenticeship.

18 NEW SUBSECTION. 1B. "*Apprenticeable occupation*" means an  
19 occupation approved for apprenticeship by the United States  
20 department of labor, office of apprenticeship.

21 NEW SUBSECTION. 1C. "*Apprenticeship program*" means a  
22 program registered with the United States department of  
23 labor, office of apprenticeship, which contains the terms and  
24 conditions for the qualification, recruitment, selection,  
25 employment, and training of apprentices, including the  
26 requirement for a written apprenticeship agreement.

27 NEW SUBSECTION. 1D. "*Apprenticeship sponsor*" means an  
28 entity operating an apprenticeship program or an entity in  
29 whose name an apprenticeship program is being operated, which  
30 is registered with or approved by the United States department  
31 of labor, office of apprenticeship.

32 NEW SUBSECTION. 2A. "*Commencement date*" means the date on  
33 which a proposed project is scheduled to begin.

34 NEW SUBSECTION. 5A. "*Eligible research and development*"  
35 means activities that meet the definition of research

1 activities under section 422.10 even if the business has not  
2 actually claimed a research activities tax credit.

3 NEW SUBSECTION. 6A. "*Financial assistance*" means assistance  
4 provided only from the funds, rights, and assets legally  
5 available to the authority and includes but is not limited to  
6 assistance in the form of grants, loans, forgivable loans, and  
7 royalty payments.

8 NEW SUBSECTION. 6B. "*Fund*" means the job training fund  
9 created in section 260F.6.

10 NEW SUBSECTION. 7A. "*Lead apprenticeship sponsor*"  
11 means a trade organization, labor organization, employer  
12 association, or other incorporated entity representing a group  
13 of apprenticeship sponsors.

14 NEW SUBSECTION. 11A. "*Providing services in interstate*  
15 *commerce*" means the provision of the majority of a business's  
16 sales to customers located outside of Iowa.

17 Sec. 9. Section 260F.2, subsections 4, 7, 9, and 10, Code  
18 2014, are amended by striking the subsections.

19 Sec. 10. Section 260F.3, Code 2014, is amended by striking  
20 the section and inserting in lieu thereof the following:

21 **260F.3 Eligible business.**

22 To be eligible for financial assistance for a project under  
23 this chapter, a business shall meet all of the following  
24 conditions:

25 1. Is manufacturing, processing, or assembling products  
26 for sale in interstate or intrastate commerce, is conducting  
27 eligible research and development in this state, is engaged  
28 in the business of commercial construction, or is providing  
29 services in interstate commerce.

30 2. Is not a retail business, a health care business, or a  
31 business engaged in the provision of professional services.

32 3. Is proposing training for a project that cannot be  
33 economically funded under the industrial new jobs training  
34 program pursuant to chapter 260E.

35 4. Demonstrates a need for certain job skills not adequately

1 represented among the business's existing workforce.

2 5. Has not closed or substantially reduced operations in  
3 one area of the state in order to locate substantially the same  
4 operations to another area of the state.

5 6. Is not actively engaged in a strike, lockout, or other  
6 labor dispute in Iowa.

7 7. Is not currently receiving funding as an apprenticeship  
8 sponsor pursuant to section 260F.5. An entity participating  
9 as a member of a lead apprenticeship sponsor is eligible for  
10 purposes of this subsection if the entity has not already  
11 received training funds for an apprentice pursuant to section  
12 260F.5.

13 8. Meets any other conditions as established by the  
14 authority by rule.

15 Sec. 11. NEW SECTION. 260F.4 Financial assistance for an  
16 eligible business.

17 1. a. An eligible business may apply to the authority for  
18 financial assistance for a project.

19 b. The authority may establish by rule a maximum benefit  
20 amount for any one project and a maximum aggregate benefit  
21 amount that may be awarded to any one eligible business.

22 2. Financial assistance to eligible businesses shall be  
23 provided under the following terms and conditions:

24 a. For training that is conducted by community college  
25 faculty or staff, at a community college facility,  
26 and according to a curriculum that complies with  
27 industry-recognized standards, the financial assistance shall  
28 be in the form of a grant or a forgivable loan in an amount  
29 equal to one hundred percent of the cost of the project.

30 b. If training in accordance with industry-recognized  
31 standards that results in a portable credential needed for a  
32 skilled trade is not available through a community college  
33 in close proximity to a business, the business can utilize a  
34 statewide industry association to facilitate training that  
35 utilizes industry-recognized standards, resulting in portable

1 credentials for the specific skilled trade. For this type of  
2 training, the financial assistance shall be in the form of a  
3 grant or a forgivable loan in an amount equal to one hundred  
4 percent of the training costs incurred.

5     *c.* For a project other than one described in paragraph "a"  
6 or "b", the financial assistance shall be in the form of a loan  
7 in an amount equal to one hundred percent of the cost of the  
8 project to be disbursed initially but with a required future  
9 repayment of fifty percent of the cost of the project at an  
10 interest of zero percent.

11     *d.* Any other terms and conditions typically required by the  
12 authority when providing financial assistance.

13     3. The authority shall deposit all repayments collected  
14 pursuant to this section in the fund and shall make the moneys  
15 available to other eligible businesses for purposes of this  
16 section.

17     4. An eligible business applying for financial assistance  
18 under this section shall provide the following information to  
19 the authority:

20     *a.* A detailed description of the proposed project, an  
21 explanation of how the project would meet the business's  
22 skilled workforce needs, and an assessment regarding the  
23 feasibility of meeting the training needs through a community  
24 college. The authority may require any information reasonably  
25 necessary to determine the necessity, suitability, and  
26 feasibility of the proposed project.

27     *b.* The date or dates on which the proposed project will be  
28 conducted.

29     *c.* The number of employees to be trained and the title and  
30 position description of each employee to be trained.

31     *d.* The estimated cost to the business of the proposed  
32 project.

33     *e.* Any other information the authority reasonably determines  
34 is necessary.

35     5. An eligible business receiving financial assistance

1 pursuant to this section shall enter into an agreement with  
2 the authority regarding the project. The agreement shall  
3 include all provisions necessary for the implementation of this  
4 section and any provisions the authority typically includes in  
5 a contract for the provision of financial assistance.

6 Sec. 12. NEW SECTION. **260F.5 Financial assistance for an**  
7 **apprenticeship program.**

8 1. a. An apprenticeship sponsor or lead apprenticeship  
9 sponsor conducting apprenticeship programs in Iowa for  
10 apprentices who will be employed at Iowa worksites may apply to  
11 the authority for financial assistance under this section.

12 b. Financial assistance received by an apprenticeship  
13 sponsor or lead apprenticeship sponsor under this section shall  
14 be used only for the cost of conducting and maintaining an  
15 apprenticeship program.

16 2. The authority shall provide financial assistance to  
17 apprenticeship sponsors or lead apprenticeship sponsors in the  
18 following manner:

19 a. By determining the total amount of funding allocated for  
20 purposes of apprenticeship programs pursuant to section 260F.6.

21 b. By adding together all of the following:

22 (1) The total number of apprentices trained by all applying  
23 apprenticeship sponsors or lead apprenticeship sponsors during  
24 the most recent training year as calculated on the last day of  
25 the training year.

26 (2) The total number of contact hours that apprenticeship  
27 instructors for all applying apprenticeship sponsors or lead  
28 apprenticeship sponsors spent in contact with apprentices  
29 during the most recent training year. For purposes of  
30 this subparagraph, "*contact hours*" includes the time spent  
31 instructing apprentices in-person or, in the case of a lead  
32 apprenticeship sponsor with programs totaling one hundred or  
33 more total instructional hours, "*contact hours*" includes the  
34 time spent in online training if the total amount of online  
35 instruction does not account for more than thirty percent of

1 the total instructional hours.

2     *c.* By adding together all of the following:

3       (1) The total number of apprentices trained by a single  
4 applying apprenticeship sponsor or lead apprenticeship sponsor  
5 during the most recent training year as calculated on the last  
6 day of the training year.

7       (2) The total number of contact hours that apprenticeship  
8 instructors for a single applying apprenticeship sponsor or  
9 lead apprenticeship sponsor spent in contact with apprentices  
10 during the most recent training year. For purposes of  
11 this subparagraph, "*contact hours*" includes the time spent  
12 instructing apprentices in-person or, in the case of a lead  
13 apprenticeship sponsor with programs totaling one hundred or  
14 more total instructional hours, "*contact hours*" includes the  
15 time spent in online training if the total amount of online  
16 instruction does not account for more than thirty percent of  
17 the total instructional hours.

18     *d.* By determining the proportion, stated as a percentage,  
19 that a single applying apprenticeship sponsor's or lead  
20 apprenticeship sponsor's total calculated pursuant to paragraph  
21 "*c*" bears to all applying apprenticeship sponsors' or lead  
22 apprenticeship sponsors' total calculated pursuant to paragraph  
23 "*b*".

24     *e.* By multiplying the percentage calculated in paragraph "*d*"  
25 by the amount determined in paragraph "*a*".

26     3. An apprenticeship sponsor or lead apprenticeship sponsor  
27 seeking financial assistance under this section shall provide  
28 the following information to the authority:

29       *a.* The federal apprentice registration number of each  
30 apprentice in the apprenticeship program.

31       *b.* The address and a description of the physical location  
32 where in-person training is conducted.

33       *c.* A copy of the apprenticeship sponsor's training  
34 standards as most recently approved by the United States  
35 department of labor, office of apprenticeship or, in the case

1 of a lead apprenticeship sponsor, a representative sample of  
2 participating members' training standards.

3     *d.* A copy of the apprenticeship sponsor's compliance audit  
4 as most recently conducted by the United States department of  
5 labor, office of apprenticeship, unless the apprenticeship  
6 sponsor has not been subjected to a compliance audit. In the  
7 case of a lead apprenticeship sponsor, a sampling of audits  
8 from participating members shall be sufficient.

9     *e.* Any other information the authority reasonably determines  
10 is necessary.

11     4. The apprenticeship sponsor or lead apprenticeship  
12 sponsor and the authority shall enter into an agreement  
13 regarding the provision of any financial assistance to the  
14 apprenticeship sponsor or lead apprenticeship sponsor.

15     Sec. 13. Section 260F.6, subsection 1, Code 2014, is amended  
16 to read as follows:

17     1. ~~There is established for the community colleges a~~ A  
18 job training fund is created in the state treasury under the  
19 control of the economic development authority in the workforce  
20 ~~development fund. The job training fund consists~~ consisting of  
21 any moneys appropriated for the purposes of this chapter, plus  
22 ~~the any interest and principal from repayment of advances made~~  
23 ~~to businesses for program costs, plus the~~ or earnings on moneys  
24 in the fund, any repayments, including interest, of loans made  
25 ~~from that retraining fund, and interest earned from moneys in~~  
26 ~~the job training fund or recaptures of financial assistance~~  
27 provided from the fund, and any other moneys lawfully available  
28 to the authority that may be deposited in the fund.

29     Sec. 14. Section 260F.6, subsections 2 and 3, Code 2014,  
30 are amended by striking the subsections and inserting in lieu  
31 thereof the following:

32     2. Moneys in the fund are appropriated to the authority for  
33 purposes of providing financial assistance for job training  
34 pursuant to this chapter.

35     3. *a.* Of the moneys transferred or appropriated to the

1 fund pursuant to section 15.343 or pursuant to any other  
2 appropriation, the authority shall allocate forty percent of  
3 the moneys for purposes of section 260F.4 and sixty percent of  
4 the moneys for purposes of section 260F.5.

5     *b.* Notwithstanding paragraph "a", moneys from repayments and  
6 recaptures of funds loaned pursuant to section 260F.4 shall be  
7 allocated for purposes of section 260F.4.

8     Sec. 15. Section 260F.6, Code 2014, is amended by adding the  
9 following new subsection:

10     NEW SUBSECTION. 4. The authority may annually expend not  
11 more than two percent of moneys in the fund for administrative  
12 purposes. If the authority's administrative costs are less  
13 than two percent of the moneys in the fund, the authority shall  
14 expend the unused moneys for purposes of financial assistance.

15     Sec. 16. Section 403.21, subsections 1 and 3, Code 2014, are  
16 amended to read as follows:

17     1. In order to promote communication and cooperation among  
18 cities, counties, and community colleges with respect to the  
19 allocation and division of taxes, no jobs training projects  
20 as defined in chapter 260E or ~~260F~~ shall be undertaken within  
21 the area of operation of a municipality after July 1, 1995,  
22 unless the municipality and the community college have entered  
23 into an agreement or have jointly adopted a plan relating  
24 to a community college's new jobs training program which  
25 shall provide for a procedure for advance notification to  
26 each affected municipality, for exchange of information, for  
27 mutual consultation, and for procedural guidelines for all  
28 such new jobs training projects, including related project  
29 financing to be undertaken within the area of operation of the  
30 municipality. The joint agreement or the plan shall state its  
31 precise duration and shall be binding on the community college  
32 and the municipality with respect to all new jobs training  
33 projects, including related project financing undertaken during  
34 its existence. The joint agreement or plan shall be effective  
35 upon adoption and shall be placed on file in the office of the

1 secretary of the board of directors of the community college  
2 and such other location as may be stated in the joint agreement  
3 or plan. The joint agreement or plan shall also be sent to each  
4 school district which levied or certified for levy a property  
5 tax on any portion of the taxable property located in the area  
6 of operation of the municipality in the fiscal year beginning  
7 prior to the calendar year in which the plan is adopted or  
8 the agreement is reached. If no such agreement is reached or  
9 plan adopted, the community college shall not use incremental  
10 property tax revenues to fund jobs training projects within the  
11 area of operation of the municipality. Agreements entered into  
12 between a community college and a city or county pursuant to  
13 chapter 28E shall not apply.

14 3. ~~The community college shall send a copy of the final~~  
15 ~~agreement prepared pursuant to section 260F.3 to the economic~~  
16 ~~development authority.~~ For each year in which incremental  
17 property taxes are used to retire debt service on a jobs  
18 training advance issued for a project creating new jobs, the  
19 community college shall provide to the economic development  
20 authority a report of the incremental property taxes and new  
21 jobs credits from withholding generated for that year, a  
22 specific description of the training conducted, the number of  
23 employees provided ~~program~~ services under the project, the  
24 median wage of employees in the new jobs in the project, and  
25 the administrative costs directly attributable to the project.

26 Sec. 17. Section 558.1, Code 2014, is amended to read as  
27 follows:

28 558.1 "Instruments affecting real estate" defined —  
29 revocation.

30 All instruments containing a power to convey, or in any  
31 manner relating to real estate, including certified copies of  
32 petitions in bankruptcy with or without the schedules appended,  
33 of decrees of adjudication in bankruptcy, and of orders  
34 approving trustees' bonds in bankruptcy, and a jobs training  
35 agreement entered into under chapter 260E ~~or 260F~~ between an

1 employer and community college which contains a description  
2 of the real estate affected, shall be held to be instruments  
3 affecting the same; and no such instrument, when acknowledged  
4 or certified and recorded as in this chapter prescribed, can be  
5 revoked as to third parties by any act of the parties by whom it  
6 was executed, until the instrument containing such revocation  
7 is acknowledged and filed for record in the same office in  
8 which the instrument containing such power is recorded, except  
9 that uniform commercial code financing statements and financing  
10 statement changes as provided in chapter 554 need not be thus  
11 acknowledged.

12     Sec. 18. REPEAL. Sections 260F.6A, 260F.6B, 260F.7, and  
13 260F.8, Code 2014, are repealed.

14     Sec. 19. TRANSITION PROVISIONS.

15     1. A financial assistance award made or provided for in an  
16 agreement entered into pursuant to section 260F.3 prior to the  
17 effective date of this Act shall continue as provided in such  
18 agreement.

19     2. Loan payments or repayments and recaptures of principal,  
20 interest, or other moneys accruing on or after July 1, 2014,  
21 pursuant to an agreement under section 260F.3, as in effect  
22 prior to July 1, 2014, shall be transferred to the job training  
23 fund created in section 260F.6, as amended by this Act.

24                                   EXPLANATION

25                   The inclusion of this explanation does not constitute agreement with  
26                   the explanation's substance by the members of the general assembly.

27     This bill relates to changes to the job training program and  
28 fund under Code chapter 260F. The bill amends the transfer of  
29 moneys from the workforce development fund to the job training  
30 fund and makes an appropriation. The bill is titled the "Iowa  
31 Apprenticeship and Job Training Act".

32     The bill amends the parties to the agreements under the job  
33 training program and the distribution of funds from the job  
34 training fund. Currently, a community college and a business  
35 enter into an agreement concerning a training arrangement. The

1 bill provides instead that the economic development authority  
2 and an eligible business enter into an agreement concerning the  
3 training arrangement focused on meeting the workforce needs of  
4 the eligible business. This training may occur through adult  
5 basic education, on-the-job training, job-related instruction,  
6 vocation and skill-assessment services and testing, tuition  
7 and classroom instruction for coursework at community colleges  
8 or regents institutions, and training equipment, supplies and  
9 materials.

10 The job training fund currently is established in the  
11 authority in the workforce development fund and the authority  
12 makes funds available to the community colleges each fiscal  
13 year. The bill provides that the job training fund is  
14 created in the state treasury rather than within the workforce  
15 development fund. The bill transfers \$5 million from the  
16 workforce development fund to the job training fund rather than  
17 allocating \$4 million for the purposes of Code chapter 260F.  
18 The bill also changes language from mandatory to permissive  
19 regarding the requirement of a match from all businesses  
20 participating in a job training project pursuant to Code  
21 chapter 260F. The bill also states that 40 percent of the  
22 moneys in the job training fund is allocated for financial  
23 assistance to eligible businesses and 60 percent of the  
24 moneys in the job training fund is allocated for financial  
25 assistance to apprenticeship programs. However, repayments or  
26 recaptures of financial assistance to eligible businesses must  
27 be allocated for purposes of providing financial assistance  
28 for eligible businesses. The bill provides that the authority  
29 may not expend more than 2 percent of moneys in the fund for  
30 administrative purposes.

31 In the job training Code chapter, the bill transfers the  
32 substance of the definition of an eligible business into its  
33 own Code section. In this Code chapter, the bill also adds  
34 definitions for "apprentice", "apprenticeable occupation",  
35 "apprenticeship program", "apprenticeship sponsor",

1 "commencement date", "eligible research and development",  
2 "financial assistance", "fund", "lead apprenticeship sponsor",  
3 and "providing services in interstate commerce". The bill also  
4 strikes definitions for "date of commencement of the project",  
5 "jobs training program", "program costs", and "program  
6 services" under the job training program Code chapter.

7     The bill provides that an eligible business may apply to  
8 the authority for financial assistance and the authority may  
9 establish a maximum benefit amount for any one project and a  
10 maximum benefit amount for an eligible business. To receive  
11 financial assistance, an eligible business must enter into an  
12 agreement with the authority. The bill also provides what type  
13 of financial assistance may be offered dependent upon the type  
14 of training provided. Financial assistance is generally in the  
15 form of a loan in an amount equal to 100 percent of the cost  
16 of the project with required future repayment of 50 percent  
17 at 0 percent interest. However, if the training is provided  
18 by a statewide industry association that facilitates training  
19 utilizing industry-recognized standards resulting in portable  
20 credentials for the skilled trade, the financial assistance is  
21 in the form of a grant or forgivable loan in an amount equal  
22 to 100 percent of the cost of the training costs incurred.  
23 Financial assistance for a project conducted by community  
24 college faculty or staff at the community college is also in  
25 the form of a grant or forgivable loan in an amount equal to 100  
26 percent of the cost of the project.

27     The bill also provides that an apprenticeship sponsor or  
28 lead apprenticeship sponsor, as defined in the bill, may apply  
29 for financial assistance when that sponsor is conducting  
30 apprenticeship programs in Iowa for apprentices who will be  
31 employed at Iowa worksites. The bill specifies that financial  
32 assistance is to be allocated to apprenticeship sponsors or  
33 lead apprenticeship sponsors by the ratio of the total number  
34 of apprentices trained and number of contact hours for an  
35 apprenticeship sponsor or lead apprenticeship sponsor divided

1 by the total number of apprentices trained and contact hours  
2 for all the apprenticeship sponsors or lead apprenticeship  
3 sponsors in the previous training year, then multiplied by the  
4 moneys allocated for financial assistance to apprenticeship  
5 sponsors. The bill provides that in order to receive financial  
6 assistance, the apprenticeship sponsor or lead apprenticeship  
7 sponsor and the authority must enter into an agreement.

8 The bill repeals Code sections relating to the authority's  
9 duty to coordinate the job training program and allocation of  
10 funding to community colleges as that no longer applies to the  
11 newly required agreements and available funding. The bill also  
12 repeals Code sections relating to the business network training  
13 and the high technology apprenticeship program. The bill makes  
14 other related changes.

15 The bill provides transition provisions stating that  
16 financial assistance awards through the job training program  
17 made or provided for under agreements between community  
18 colleges and businesses entered into prior to July 1, 2014,  
19 remain in effect. The bill also states that loan payments,  
20 repayments, recaptures, and any other moneys accruing pursuant  
21 to those agreements shall be transferred to the job training  
22 fund, as amended by the bill.